



### The REI Loan

3. On or about December 15, 2006, Acorn Capital Group LLC ("Acorn") entered into a Loan Agreement (the "REI Loan Agreement"), as amended, modified and restated from time to time, pursuant to which Acorn made a loan, to REI, initially in the amount of \$25 million and up to a maximum of \$40 million (the "REI Loan"). A true and correct copy of the REI Loan Agreement is annexed hereto as Exhibit A.

4. The REI Loan Agreement contemplated that the obligations due Acorn under the REI Loan Documents would be evidenced by one or more uncertificated Secured Registered Promissory Notes (each an "ESM Note" and collectively the "ESM Notes"). See Loan Agreement § 2(c).

5. The Obligations (as defined in the REI Loan Agreement) were guaranteed by Esmerian pursuant to a Guaranty dated December 15, 2006, as amended from time to time (the "Guaranty," and together with the REI Loan Agreement and all documents related or ancillary thereto (the "REI Loan Documents"). A copy of the Guaranty is annexed hereto as Exhibit B.

### The Assignments

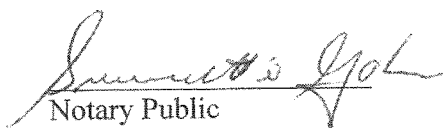
6. By a certain Assignment of Note(s), Causes of Action and Ancillary Documents dated September 11, 2009 (the "Assignment"), Acorn transferred, assigned, granted and conveyed to Northlight those certain Secured Registered Promissory Notes Nos. ESM-5 (dated December 15, 2006) and ESM-10 (dated December 28, 2006) (together, the "Assigned Notes") payable by REI to Acorn in the aggregate principal amount of \$5,000,000 (the "Principal Amount"). A copy of the Assignment is annexed hereto as Exhibit C. Northlight paid consideration equal to the Principal Amount, plus accrued interest, plus servicing fees due on the Assigned Notes for the Assigned Notes.

7. As of the date hereof, REI and Esmerian are indebted to Northlight in the aggregate principal amount of \$5,000,000, plus unpaid interest, fees and other Obligations (as defined in the REI Loan Agreement) on account of the Assigned Notes. At least \$13,475.00 of the amount due Northlight is unsecured.

8. The Assigned Notes were not assigned to Northlight for the purposes of commencing the Bankruptcy Cases.

  
Mark P. Hirschhorn, Manager,  
Northlight GP, LLC, the  
General Partner of Northlight  
Fund, LP.

Sworn to and Subscribed to me this  
17 day of May, 2010

  
Notary Public

SREEWATTIE GOBIN  
NOTARY PUBLIC STATE OF NEW YORK  
NEW YORK COUNTY  
LIC. #01G06212568  
COMM. EXP. 10-13-2013